

UNITED STATES DISTRICT COURT

DISTRICT OF CONNECTICUT

Grand Jury N-04-3

UNITED STATES OF AMERICA :
 :
 : CASE NO.
 v. : Violations:
 : 18 U.S.C. §371[CONSPIRACY]
 : 18 U.S.C. §1343[WIRE FRAUD]
 TRACY COSTIN, DARRYL HYLTON, :
 DATAUSA, Inc., :
 a.k.a. VIEWPOINT USA, Inc. :

INDICTMENT

The Grand Jury charges:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Defendant DataUSA Inc. ("DataUSA"), now known as Defendant Viewpoint USA, Inc. ("ViewPoint") is a polling and survey services company incorporated under the laws of Connecticut. DataUSA's primary offices are located at 521 Village Walk, Guilford, Connecticut. In addition to the Guilford facility, DataUSA also operated a polling facility in West Haven, Connecticut.

2. Defendant DataUSA conducts surveys and political polls for numerous clients throughout the United States. The surveys or polls are conducted through the use of computers and telephones.

3. Defendant TRACY COSTIN, a resident of Madison, Connecticut, was the owner and director of operations for DataUSA. She had ultimate supervisory responsibilities for all of DataUSA's facilities and activities.

4. Defendant DARRYL HYLTON, a resident of Hamden, Connecticut, was a manager at DataUSA. He had supervisory responsibilities for the employees at DataUSA's facilities and their activities.

SURVEY OR POLLING PROCESS

5. DataUSA employs numerous individuals to conduct, via telephone, informational gathering and political surveys for its clients. If properly conducted, in order to complete a survey, a DataUSA employee, using a computer system, contacts an interviewee or surveyee by telephone and proceeds to conduct a survey by asking a series of questions as set forth in a script prepared by DataUSA in accordance with the clients' needs and requests.

6. The computer system used at DataUSA runs a software program referred to as the Oscar software program ("Oscar Program"). The Oscar program retains various types of information relating to the conduct of a survey, including the length of time it took an employee to conduct or complete a survey.

7. DataUSA employed persons known as "callers" or "employees" acting on its behalf in connection with conducting the telephone surveys and polls. The callers or employees were compensated on an hourly basis. These callers were monitored and supervised by polling site supervisors and their managers, including Darryl Hylton and Tracy Costin.

COUNT 1
[18 U.S.C. § 371 -- CONSPIRACY]

8. The allegations contained in Paragraphs 1 through 7 of the Indictment are realleged and incorporated as if fully set forth herein.

THE OBJECTS OF THE CONSPIRACY

9. Beginning in and around June of 2001 to the present, the exact dates being unknown to the Grand Jury, in the District of Connecticut and elsewhere, the defendants,

**Tracy Costin ("COSTIN"), Darryl Hylton ("HYLTON")
and DataUSA Inc. ("DataUSA")**

did knowingly and willfully combine, conspire, confederate and agree with each other and with other individuals who are known and unknown to the Grand Jury (collectively "the co-conspirators") to commit an offense against the United States, namely:

a. to knowingly execute and intend to execute a scheme and artifice to defraud DataUSA's clients by means of false and

fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice, causing to be delivered by interstate wires, as alleged in counts 2 through 7, polling and survey results to clients containing numerous misrepresentations and false statements, all in violation of Title 18, United States Code, Section 1343;

b. to knowingly execute and intend to execute a scheme and artifice to defraud DataUSA's clients by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice, causing to be delivered by interstate wires funds, as alleged in counts 8 through 12, in payment for polling and survey results to clients containing numerous misrepresentations and false statements, all in violation of Title 18, United States Code, Section 1343.

THE PURPOSE OF THE CONSPIRACY

10. It was the purpose of the conspiracy that **COSTIN, HYLTON, DataUSA**, and the co-conspirators would seek to enrich themselves and others by submitting and causing to be submitted false, fraudulent and misleading information to DataUSA's clients.

THE MANNER AND MEANS OF THE CONSPIRACY

11. The manner and means by which **COSTIN, HYLTON, DataUSA**, and the co-conspirators, created a scheme and artifice to defraud

and to obtain money and property by means of false and fraudulent pretenses, representations and promises, by instructing DataUSA employees to alter survey data and to fabricate surveys and otherwise falsify their contents in order to meet job quotas and deadlines. The term "talk to cats and dogs" was one of the terms used by the defendants to instruct employees to fabricate surveys.

12. It was part of the conspiracy that the defendants directly and indirectly, instructed employees to alter and falsify the gender of the interviewees in order to meet job quotas and deadlines.

13. It was part of the conspiracy that the defendants altered and falsified, and caused to be altered and falsified, the political affiliation of the interviewees in order to meet job quotas and deadlines.

14. It was part of the conspiracy that the defendants altered data on survey responses originally taken by the callers after the completion of the survey, prior to submitting it to the client, in order to meet job quotas and deadlines.

15. It was part of the conspiracy that the defendants modified and caused to be modified the survey script by altering the source code to eliminate questions and undesired data in order to meet job quotas and deadlines.

16. It was part of the conspiracy that the defendants, despite their knowledge of the fabricated survey data, continued to instruct employees to fabricate surveys.

17. It was part of the conspiracy that the defendants utilized interstate electronic mail transmissions and electronic fund transfers to achieve the purposes of the conspiracy.

OVERT ACTS

18. In furtherance of the conspiracy, and to accomplish its objects, **COSTIN**, **HYLTON**, **DataUSA**, and co-conspirators committed and caused the following overt acts, among others, to be committed in the District of Connecticut and elsewhere:

a. **COSTIN** instructed managers and employees to fabricate data on surveys by completing responses to surveys without actually speaking with an individual in order to meet a survey quota;

b. **HYLTON** instructed employees to fabricate data on surveys by completing responses to surveys without actually speaking with an individual in order to meet a survey quota;

c. **COSTIN** instructed managers and employees to falsify the gender of the interviewees in order to meet job quotas and deadlines;

d. **HYLTON** instructed employees to falsify the gender of the interviewees in order to meet job quotas and deadlines;

e. **COSTIN** altered and falsified and caused to be altered and falsified the political affiliation of the interviewees in order to meet job quotas and deadlines;

f. **HYLTON** altered and falsified and caused to be altered and falsified the political affiliation of the interviewees in order to meet job quotas and deadlines;

g. From on or about June 1 to June 18, 2002, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job R003, in order to meet the job quota and deadline;

h. From on or about July 9 to July 12, 2002, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job P045, in order to meet the job quota and deadline;

i. From on or about July 23 to July 24, 2002, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job P051, in order to meet the job quota and deadline;

j. From on or about August 8 to August 11, 2002, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to

the client, data on job P056, in order to meet the job quota and deadline;

k. From on or about August 9 to August 11, 2002, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job P057, in order to meet the job quota and deadline;

l. From on or about February 8 to February 9, 2003, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job AM01, in order to meet the job quota and deadline;

m. From on or about June 5 to June 15, 2003, **COSTIN** and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job PS46, in order to meet the job quota and deadline;

n. From on or about June 8 to June 10, 2003, **COSTIN, HYLTON**, and their co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job B041, in order to meet the job quota and deadline;

o. From on or about December 11 to December 14, 2003, **COSTIN** and her co-conspirators altered, modified and falsified, and

caused to be altered, modified and falsified, prior to submitting it to the client, data on job LA04, in order to meet the job quota and deadline;

p. From on or about February 10 to February 12, 2004, **COSTIN, HYLTON**, and their co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job B061, in order to meet the job quota and deadline;

q. From on or about May 10 to May 16, 2004, **COSTIN, HYLTON**, and her co-conspirators altered, modified and falsified, and caused to be altered, modified and falsified, prior to submitting it to the client, data on job LR01, in order to meet the job quota and deadline;

r. On or about April 28, 2004, **COSTIN** was interviewed by law enforcement officers and denied any involvement and knowledge of the falsification and fabrication of survey data.

s. On or about October 8, 2004, **HYLTON** was interviewed by law enforcement agents and denied any involvement and knowledge of the falsification and fabrication of survey data.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2 - 12 [WIRE FRAUD]

19. The allegations contained in Paragraphs 1 through 18 of the Indictment are realleged and incorporated as if fully set forth herein.

THE SCHEME

20. Beginning in or about June 2001 and continuing to the present, in the District of Connecticut and elsewhere, **COSTIN**, **HYLTON**, and **DataUSA**, the defendants herein, and their co-conspirators, knowingly and willfully devised and attempted to devise a scheme and artifice to defraud DataUSA's clients, and for obtaining money and funds from these clients by means of false and fraudulent pretenses and representations.

21. It was a purpose of the scheme and artifice to defraud that **COSTIN** and **HYLTON**, to enrich themselves and others, falsified and fabricated and caused to be falsified and fabricated the data on surveys conducted by DataUSA employees and submitted, and caused to be submitted, false survey data to various DataUSA's clients.

22. It was part of the scheme and artifice to defraud that **COSTIN** and **HYLTON** and their co-conspirators engaged in the acts alleged in paragraphs 11 through 17 above.

23. It was part of the scheme and artifice to defraud that **COSTIN** and **HYLTON** and their co-conspirators would and did submit

or cause to be submitted to DataUSA clients survey data, which contained false or fabricated data, purporting it to be accurate data actually recorded during the course of the survey.

THE WIRE TRANSFERS

24. On or about the dates specified below, in the District of Connecticut and elsewhere, **COSTIN, HYLTON**, and **DataUSA**, the defendants herein, and their co-conspirators, for the purpose of executing and attempting to execute the aforesaid scheme and artifice to defraud described above, did and caused others to transmit by means of wire communication in interstate commerce, both survey data and funds in payment of surveys submitted by **COSTIN, HYLTON**, and **DataUSA**, as more specifically set forth below, each one representing a separate count of this Indictment. The survey data submitted by **COSTIN, HYLTON**, and **DataUSA** was false and fraudulent, in that the surveys contained false and fabricated data allegedly taken by DataUSA employees from interviewees, when in fact, as the defendants knew, the data was either fabricated, falsified and altered by DataUSA employees and the defendants and was not obtained in the manner and to the extent represented and billed.

As to Defendants DataUSA and COSTIN

<u>Count</u>	<u>SURVEY TRANSMISSION DATE</u>	<u>SURVEY #</u>	<u>SURVEY COST</u>
2	6/16 - 6/25/02	R003	\$24,012.85

As to defendants DataUSA, Costin and Hylton

<u>Count</u>	<u>SURVEY TRANSMISSION DATE</u>	<u>SURVEY #</u>	<u>SURVEY COST</u>
3	2/9/03	AM01	\$ 4,956.00
4	6/9 - 6/10/03	B041	\$ 5,275.00
5	2/10 - 2/12/04	B061	\$ 6,000.00
6	5/15 - 5/16/04	LR01	\$10,575.00
7	6/5 - 6/15/03	PS46	\$ 4,550.00

As to Defendants DataUSA and COSTIN

<u>Count</u>	<u>DATE/AMOUNT WIRE</u>	<u>SURVEY #</u>	<u>SURVEY COST</u>
8	8/23/02-\$17,881	P057	\$ 4,012.00

As to Defendants DataUSA,COSTIN and HYLTON

<u>Count</u>	<u>DATE/AMOUNT WIRE</u>	<u>SURVEY #</u>	<u>SURVEY COST</u>
9	12/16/03-\$10,900	LA04	\$ 9,200.00

As to Defendants DataUSA and COSTIN

<u>Count</u>	<u>DATE/AMOUNT WIRE</u>	<u>SURVEY #</u>	<u>SURVEY COST</u>
10	7/25/02-\$10,000	P045	\$ 4,620.00
11	8/23/02-\$17,881	P056	\$ 4,752.00
12	8/15/02-\$18,000	P051	\$ 4,780.00

All in violation of Title 18, United States Code, Sections
1343 and 2.

A TRUE BILL

FOREPERSON

KEVIN J. O'CONNOR
UNITED STATES ATTORNEY

PETER S. JONGBLOED
SUPERVISORY ASSISTANT U.S. ATTORNEY

MARIA A. KAHN
ASSISTANT UNITED STATES ATTORNEY